

March 8, 1973

(Start of Belt #5)

under the title policy, they can solve the problems right here and if we are going to talk about attorney fees under this policy, they would be paid here in Nebraska. I fail to see how anything but a little good can come for all the insurance companies that write title insurance including those who have written some of you letters saying they are against it. I think that the real dispute involves kind of an old competitive situation between two rival companies and in my own mind I have heard the sides back and forth. I was on the phone last night at home with both sides of this dispute and I can see nothing other than the fact that the grocery store merchant on one corner isn't really the best friend of the guy across the street. Now, there have been no real substantive questions raised. It seems to me that there are adequate safeguards because the policy itself has to be approved as all insurance contracts do. It goes through the Department of Insurance. I might point out to you that the representative of the Department of Insurance was present at the hearing and made no objection. The Insurance Committee, the Banking and Insurance Committee, approved this after consideration. I don't think their action was wild or radical in any way. All the normal procedural steps have been taken. I think this was sort of a last ditch effort and, unfortunately, I was late this morning and wasn't able to do anything about it. I would like to ask you to reconsider and to favorably pass this because I think what it really will do is extend available business to insurance companies doing business in the state. Thank you.

SPEAKER: The chair recognizes Senator Nore. The chair recognizes Senator Fred Carstens speaking on the motion to reconsider the action on LB 234 which failed on Final Reading.

SENATOR FRED CARSTENS: Mr. President, as a point of inquiry, is it permissible for me to speak on this?

SPEAKER: Yes sir.

SENATOR FRED CARSTENS: Mr. President and members of the Legislature, I feel that it is necessary in my duty as Chairman of the Banking and Insurance Committee which heard this bill to join Senator Fellman in his efforts to reconsider our action this morning. We had this bill set for hearing in the proper manner with proper notice given and the hearing was held. The witnesses appeared. Those that testified in favor as Senator Fellman mentioned, the Department of Insurance, director of the Department of Insurance was present and there were no objections made. There was no opposition to this bill at all in the Committee Hearing, and the purpose of the bill and the function of the bill have been explained by Senator Fellman and I weighed them in my own mind and I judged them to be...to have merit, and I think there is a good reason for this bill and I know the bill was fairly presented and in the Executive session, the record will show that the members of the Banking and Insurance Committee voted to vote this bill out 3 to 0. Nothing was heard from in opposition to this bill. We heard nothing about it until about a week ago when all of a sudden one or two title insurance companies started to writing us letters claiming that there was some bad features about this bill and, for the life of me, I could not see where those complaints had any substance. And one of the things that one of the insurance...the title insurance companys directed at me was, and I think this one was from Blair or someplace, he claimed that they had...did not know anything about this hearing. This bill had been kind of sneaked up on them without their knowledge and had no notice that it was on. Now these were public hearings. We have no way of knowing who is interested in this on an individual basis. This bill was treated no differently from anything else and I know they sent out extensive literature on this bill in opposition to